

FISCAL NOTE

Bill #: SB0298

Title: Revise funding for the appropriation of the reclamation and development grants

Primary

Sponsor: Tom Keating

Status: As introduced

Sponsor signature	Date	Dave Lewis, Budget Director	Date
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Fiscal Summary

	<u>FY2000 Difference</u>	<u>FY2001 Difference</u>
Expenditures:		
General Fund	1,617,721	1,589,019
State Special Revenue (02458)	(3,117,721)	(3,089,019)
Revenue:		
General Fund	0	0
State Special Revenue	0	0
Net Impact on General Fund Balance:	(1,617,721)	(1,589,019)

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
X		Significant Local Gov. Impact	X		Technical Concerns
	X	Included in the Executive Budget	X		Significant Long-Term Impacts

Fiscal Analysis

ASSUMPTIONS:

1. Under current law, \$1.5 million per year is deposited into the reclamation and development account 02458 for grants.
2. Under the proposed law, existing agency appropriations from the reclamation and development account would be prohibited. The Governor would use general fund for the ongoing functions of the Department of Environmental Quality (DEQ), DNRC, and State Library NRIS at a cost of about \$1.6 million per year.
3. Current authority provides sufficient appropriations for the Board of Oil and Gas Conservation and DEQ Mine Waste Cleanup Bureau administrative expenses.
4. Appropriations from the RIT summary chart in Legislative Fiscal Division book, page C-127, are used.

5. The DEQ uses the RIT funds as match to obtain more than \$920 thousand federal reclamation grant dollars each year. Without the general fund replacement, these matching federal funds would be lost.

FISCAL IMPACT:

	<u>FY2000 Difference</u>	<u>FY2001 Difference</u>
<u>Funding:</u>		
General Fund (01)	1,617,721	1,589,019
State Special Revenue (02)		
R&D Grants	(1,500,000)	(1,500,000)
CARDD	(231,977)	(213,396)
DEQ Permitting	(1,207,480)	(1,204,044)
DEQ Enforcement	(5,371)	(5,365)
NRIS	(155,834)	(149,155)
Pay Plan	<u>(17,059)</u>	<u>(17,059)</u>
TOTAL	(1,500,000)	(1,500,000)

Revenues:

General Fund (01)	0	0
State Special Revenue (02)	0	0

Net Impact to Fund Balance (Revenue minus Expenditure):

General Fund (01)	(1,617,721)	(1,589,019)
State Special Revenue (02)	3,117,721	3,089,019

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

There will be a long-term effect on local governments. Local governments currently compete successfully for Reclamation and Development grants. SB 249 allocates these funds to two state agencies, DEQ and the Board of Oil and Gas Conservation. No process for local governments to request funds exists if SB 298 passes.

LONG-RANGE IMPACTS:

Agency appropriations that would no longer be legal under SB 298 will need general fund or some other funds to finance the expenses.

TECHNICAL NOTES:

Coordination will be needed with SB 49, SB 248, SB 249, SB 301 and other bills that effect the current flow of funds to the RIT.